# INFORMATION LETTER

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## SUGAR SUPPLY DECREASED

### WFA Allocation for All Civilian Uses 6 Per Cent Below 1943 Consumption

Civilian supplies of sugar will be lower in 1944 than in 1943 due to the use of sugarcane molasses for industrial alcohol, to the increased needs of our armed forces and allies, and to wartime shipping conditions, the War Food Administration said February 26. The total allocation of sugar for all civilian uses in 1944 is 5,074,906 short tons, raw basis—a reduction of about 6 per cent below the 5,400,000 tons consumed last year.

The Office of Price Administration has indicated that it is working out the details of sugar allotments for the next quarterly period, starting April 1, to cover industrial users, consumers, and home canning. They are expected to be completed and announced shortly.

The demand for industrial alcohol for products vitally needed in the war effort, is almost 50 per cent above that of 1943 and 180 per cent greater than in 1942. This will make it necessary to employ a quantity of 1944 Cuban crop sugarcane equivalent to 800,000 tons of sugar for the manufacture of invert molasses for the alcohol program, and to set aside as a reserve an additional 200,000 tons of Cuban raw sugar for the same purpose.

The sugar allocations are firm for the first and second quarters of 1944 but are subject to adjustment for the succeeding quarters. For the January-June period, civilians have been allotted 2,351,462 tons.

The total quantity of sugar allocated for 1944 is 6,529,098 tons. Most of the difference of 1,454,192 tons between the grand total and the civilian share of 5,074,906 tons has been allocated to our armed forces and allies, while 200,000 tons are reserved for the alcohol program (in addition to the 800,000 tons in the form of invert molasses).

The sugar allocated for non-civilian uses during the first half of 1944 includes 350,938 tons for direct use as sugar and 222,642 tons for indirect uses, such as in processed foods. Included in the sugar for direct use are 260,378 tons for the armed forces and war services and 79,618 tons for our allies and other friendly nations, the liberated areas, our territories, and the Red Cross.

The grand total of 6,529,098 tons is made up of a carryover of approximately 1,800,000 tons in continental United States on January 1, 1944, an anticipated mainland production of 1,775,000 tons, and 4,561,000 tons of expected receipts from insular areas, less a carryover of 1,607,000 tons at the beginning of 1945. Such a January 1 operating stock on the mainland would be the smallest in more than a decade. More than half a million tons of sugar in offshore areas has been excluded from the total of expected imports to the United States, because this sugar may go direct from the producing areas to Russia, French North Africa and French West Africa.

### President's Tax Bill Veto Overridden by Congress

By the substantial votes of 299 to 95 and 72 to 14, the House and Senate gave final enactment, the veto of the President notwithstanding, to the Revenue Act of 1944. House action was taken on February 24 and the Senate acted the following day. Senate action was postponed one day so that a caucus of Democratic members might receive the protest resignation of Majority Leader Alben W. Barkley who was then unanimously re-elected.

## STOCKS OF 1943 HOME-CANNED FRUITS AND VEGETABLES

Considerable interest has been expressed from time to time regarding the volume of fruits and vegetables canned in American homes from the 1943 crop. No accurate check has been made that will indicate the size of the home-canned pack. Various statements have been issued by the U. S. Department of Agriculture regarding the estimated tonnage of fruits and vegetables grown for home use. There has, however, been no check of the percentage of this production that was canned in the homes. A recent survey made by the American Institute of Public Opinion (Gallup Poll) indicated that 1,900,000,000 cans or jars of vegetables were canned in the home, and 1,600,000,000 cans or jars of fruits were home-canned from the 1943 crop. This indicates a home pack amounting roughly to 146,000,000 cases of fruits and vegetables.

Although definite surveys have not been made of the quantity packed, some surveys have recently been conducted to determine the stocks of home-canned fruits and vegetables currently held by consumers. One of these surveys was conducted by the A. C. Nielsen Company of Chicago during the month of December. Nielsen staff men made actual, first-hand counts of the stocks held in a representative group of homes extending from southern New Jersey through the States of Pennsylvania, Ohio, Indiana, southern Michigan, Illinois, and southern Wisconsin. The selection of homes gave proper proportionate representation to both urban and rural families, and to all economic, family-size, and racial groups. And even though this survey did not cover the entire United States, it is believed to have been of sufficient extent to be fairly representative of the country as a whole. A careful check of the results of this survey indicates that the use of Nielsen figures to indicate total domestic holdings in the United States will, if anything, err on the conservative side and produce a total slightly lower than would have been found had the study covered the entire country.

The Nielsen report, when thus applied to the United States as a whole, shows that consumers had the equivalent of about 36,000,000 cases of home-canned fruits in their pantries in December, including some 10,970,000 cases of peaches and 4,655,000 cases of pears.

The corresponding total stock of home-canned vegetables amounted to about 73,000,000 cases, consisting principally of 33,817,000 cases of tomatoes and 18,586,000 cases of beans, with the remainder miscellaneous vegetables.

The report also shows 11,408,000 cases of home-canned fruit and vegetable juices on hand in the homes, with tomato juice at 8,361,000 cases representing the largest single item.

From the foregoing, Nielsen reports the total of home-canned fruits, vege-

tables, and juices at about 120,553,000 cases as of December 21.

Unfortunately, no comparable survey has been made for any previous year. Consequently, no comparison of these figures can be made with pre-war stocks of home-canned food. It is reasonable to conclude, however, from such fragmentary studies as have been made by various agencies, including statements made by government departments, that the volume of home-canned fruits and vegetables in 1943 was considerably larger than for any normal year.

## WFA LISTS SAFEGUARDS ESSENTIAL IN HOME CANNING

At the Conference on Home Food Preservation, held at Chicago recently under auspices of the War Food Administration, and attended by members of the Association staff, the following report of a Committee on Safeguards Essential in Home Food Preservation, was adopted:

*Research*—Much additional research is urgently needed to develop practical methods for home food preservation that will yield products that are safe to use, free from spoilage, and that give maximum retention of nutritive value and palatability. It is recommended that the conference recognize this need for a greatly increased program of research on home food preservation techniques and procedures, including causes of spoilage and related problems. It is further recommended that the U. S. Department of Agriculture and the appropriate State and private agencies do all within their power to organize and carry out such a research program as speedily as possible.

*Uniformity of home canning procedures*—Uniformity of home canning procedures, including processing time and temperature, is recognized as highly desirable. It is recommended that Federal, State and other agencies work together to bring about such uniformity as rapidly as possible.

*Manual on home canning*—It is recommended that a manual be prepared by the U. S. Department of Agriculture and cooperating agencies which will describe the techniques of home canning, with reasons for the various procedures. The need for such a handbook for the use of teachers, home demonstration agents, and others giving instructions to home canners is recognized as urgent.

*Oven method of canning*—It is recommended that warning be given against oven canning because of danger from explosions and danger of underprocessing due to the slow rate of heat transfer from air and uneven heat distribution in the oven.

*Open kettle method of canning*—In the open kettle method the food is completely cooked in an ordinary kettle, then packed into hot sterilized jars and sealed immediately. This method, while generally satisfactory for such products as relishes, preserves, jams and jellies, is *not* recommended for tomatoes or fruits, or for non-acid vegetables, and for such products as meat, poultry and fish. This method is disapproved for fruits and tomatoes because of the danger of contamination before the jar is sealed. It is disapproved for low-acid products because the heat treatment is insufficient to guard against spoilage and possible food poisoning.

*Boiling-water-bath method of canning*—In the boiling-water-bath method the jars are completely covered with boiling water throughout the processing time. This method is recommended for home canning of tomatoes, tomato juice, rhubarb, fruits and fruit juices. It is not recommended for vegetables other than tomatoes, nor for meat, fish and poultry products, because of danger of spoilage and possible food poisoning.

*Steam bath canning method*—In the steam bath method jars may or may not be partly immersed in water, but the uncovered portions must be surrounded by flowing steam. A steam bath canner, properly used, may serve the same purpose as the water bath canner, but the processing time should be increased by one-fourth since the temperature attained is usually slightly less than that attained by the boiling water bath method.

*Pressure-canner method*—The steam pressure canner correctly used is recommended for processing of all low-acid vegetables and for such products as meat, poultry and fish.

*Intermittent sterilization method of canning*—It is recommended that intermittent sterilization be disapproved because it has no sound scientific basis.

*Canning powders and compounds*—It is recommended that so-called canning compounds, canning powders or chemical preservatives not be used in place of sterilization by heat, since such compounds usually are not efficient preservatives and may be injurious to health.

*Acidification of low-acid vegetables*—Properly acidified, low-acid vegetables may be safely processed by the boiling-water-bath method. However, this process is *not advised* for general use because of the great possibility of canning with insufficient acid.

*Other methods of food preservation*—Canning is but one of several satisfactory methods of food preservation, and should be undertaken only where proper equipment for recommended canning methods is available. Otherwise, reliance should be placed entirely on other methods of preservation, including storing, freezing, dehydration, brining, or pickling. These methods, too, must be properly carried out in order to be effective and safe.

*Better gauges and thermometers*—Recognizing the importance as safeguards in home canning, of efficient and reliable devices for measuring temperature and the pressure in pressure cookers, the conference recommends that manufacturers give serious consideration to the improvement of such equipment. It is further recommended that manufacturers be requested to provide pressure cookers equipped with both thermometers and pressure gauges.

*Pressure-gauge testing program*—It is recommended that each State organize a well considered program for testing the accuracy of gauges on pressure cookers now in use, and that this be done in advance of the canning season of 1944.

*Spoilage clinics*—It is suggested that each State organize one or more spoilage clinic to acquaint teachers, home demonstration agents and others professional workers with the nature, appearance, causes and methods of prevention of various types of spoilage of home canned foods.

## Cold Pack Canners Provided

Approximately 500,000 enameled cold pack canners, which have been out of production since 1941, will be available to home canners this season, the War Production Board has announced. These are provided under terms of Direction 1 to Limitation Order L-30-b.

## New OPA Price Panel Chief

The appointment of Kenneth L. Hampton, of Fresno, Calif., as Chief of the Price Panel Branch of the Office of Price Administration, was announced February 23 by Price Administrator Chester Bowles.

Mr. Hampton has been Director of the Fresno OPA District Office for the past year and a half. Before coming to OPA he had been connected continuously for 22 years with the Valley Electrical Supply Company, of Fresno, and was serving as Assistant to the President and General Manager of the firm at the time he joined the agency. Since 1938, Mr. Hampton has been president of Supplies, Inc., Fresno, photographic, chemical and drug wholesalers. He has also been associated with the Laval Company, and for eight years was a director of the Wholesale Credit Managers' Association of northern and central California.

## Ozark Canners to Meet

The 37th annual meeting of the Ozark Canners Association is scheduled for March 16-17, at the Colonial Hotel, Springfield, Mo.

## More Bahamian Farm Workers

The War Food Administration announces that its Office of Labor has set in motion a program to import additional workers from the Bahama Islands for agricultural work in the United States.

They will be employed by farmers under terms of an agreement entered into last March 16 by the governments of the United States and the Bahama Islands. Under this agreement, 4,698 Bahamians were brought in last year. They worked on farms in 12 States. Of the total, 3,480 have renewed their work agreements and remained in this country, working mainly in Florida truck crops this winter. Most of these are expected to be available for employment in critical farm labor shortage areas throughout the year.

The 1,300 new workers are to be signed up at Nassau, the Bahamian capital, and brought to Miami, Florida, at the rate of about 325 a week. Their first employment will be in Florida truck crops. WFA's Office of Labor plans to import more Bahamians as the season progresses.

The States other than Florida in which Bahamians will be employed this year have not yet been determined. They worked last year in Florida, Virginia, Maryland, New York, New Jersey, Delaware, North and South Carolina, Tennessee, Illinois, Indiana and Michigan.

## Farm Workers from Mexico

Approximately 14,600 Mexican nationals will have been brought to California by March 31 to do various kinds of farm work, it is announced by the War Food Administration. The first train load left Mexico City on February 17, destined for Southern California.

## CCC Continued to June 30, 1945

Congress voted during the past week to continue the Commodity Credit Corporation until June 30, 1945, and thus reserved further debate on the anti-subsidy issue until consideration of measures to reenact the price control law are begun. The Price Control Act expires on June 30 of this year.

The action reviving CCC was taken in a joint resolution that also made the Corporation subject to General Accounting Office audits and reiterated the Congressional mandate that all commitments made to increase the production of non-basic commodities pursuant to public announcement are to be fulfilled.

## AGRICULTURAL DEFERMENTS

### Prompt Review Ordered by Selective Service in Light of Increased Crop Production Goals

Prompt local board review of the Selective Service deferments of agricultural workers in light of increased crop production goals for 1944 and because of sharp curtailment of available manpower for the armed forces has been ordered by National Headquarters of Selective Service.

Under the Tydings Amendment to the Selective Training and Service Act, men found by local boards to be necessary to and regularly engaged in essential agricultural activities or occupations must be deferred as long as no replacements can be obtained, Selective Service said. Increased crop production goals and the over-all manpower shortage, however, necessitate cancellation of deferments of farm workers who are not contributing through their own personal efforts their share of labor and production to agriculture's intense war effort, Selective Service emphasized.

Pointing out that the Department of Agriculture has formulated and the Selective Service has adopted a war units plan of measuring agricultural activity and labor, Selective Service said that from November, 1942, to the present deferment of a farm worker was considered if he produced eight or more units. A national objective of 16 war unit production was fixed, however, and farm workers were given an opportunity to increase their production of essential war units to conform to this objective.

It is now believed, Selective Service reported, that the deferment of any registrant who produces less than 16 war units minimum each year is unjustified. Therefore, it is not expected that local boards will defer or continue to defer a registrant as necessary to and regularly engaged in agriculture unless by his own personal and direct efforts he produces 16 or more war units each year.

While setting the 16 unit minimum generally, Selective Service said that the rule is not inflexible and local boards when considering the deferment of a registrant may take into consideration his age, health, or any other compelling circumstance involved in the individual case. Furthermore, it emphasized that, since in many localities 16 war units are less than the normal production of a man engaged full time in an agricultural occupation or endeavor, State Directors of Selective Service henceforth will be authorized to recommend to local boards in their States that the 16 unit national minimum be increased.

As to the review of current deferments of agricultural workers, Selective Service said that local boards had been directed to proceed at once to reopen in sequence of order numbers the classification of all registrants now in Class II-C, the classification of registrants deferred solely by reason of their agricultural activity or endeavor. If the local board determines that the registrant continues to qualify for deferment under the revised policies he will be reclassified in Class II-C, for a period of six months or less at the end of which time his case again will be reopened and reconsidered.

## Plan for Returning Veterans to New or Former Employment

An agreement between the War Manpower Commission and the Selective Service System specifically designates the part the two agencies will play in returning veterans to civilian employment.

Under the terms of the agreement Selective Service is to have the specific responsibility of returning the veteran, if he so desires, to his old job. Responsibility for finding him a new job will rest with the Veterans' division of the United States Employment Service, WMC.

The Director of Selective Service has a two-fold responsibility under Section 8 (g) of the Selective Service and Training Act of 1940, to establish a Personnel Division for the purpose of rendering aid to veterans seeking reinstatement in their old positions, as well as in seeking new positions.

Under the Selective Service reemployment policy, the responsibility for securing to veterans their right of reemployment has been delegated to the State Directors with authority to set up within the respective States, the machinery which is most conducive to securing such reemployment rights for the veterans.

The local boards, together with their Reemployment Committeemen, will be charged at their level with the responsibility of rendering such aid as is necessary in order to enforce this right.

The Selective Service Director, in carrying out the second mandate of Congress to render aid to veterans in securing new positions, is requesting WMC to assume the responsibility of placing returned veterans in new positions through the facilities of that organization.

## RESTRICTIONS ON THE OFFICE OF PRICE ADMINISTRATION

By Jean F. Carroll, Director, Food Price Division, Office of Price Administration

EDITOR'S NOTE—The prepared address delivered by Mr. Carroll at the Processors' Conference was reproduced in last week's INFORMATION LETTER. However, before dealing specifically with canned food pricing, Mr. Carroll made the following prefatory comment on problems of OPA administration. As this was not available for publication at the time the LETTER went to press, it is reproduced below.

When we so-called business men went in to OPA about six months ago, we faced the same kind of situation that anyone would face in going into a new business. When you go into a new business as one of the executives, the first thing you try to find out is where the company is going, what its problems are and the limitations under which it has to operate. Your companies have Federal regulations, State regulations and municipal regulations that put definite limitations on what you can do and how you can do it.

We in OPA face similar limitations and regulations. We are not free to do just anything we choose. We have to do it according to Hoyle. I find there are very few individuals and very few association groups who have any clear-cut concept of the limitations that are placed on OPA operations and in nearly every case where I have had a chance to explain our job, I have had the feeling that there was a much more sympathetic understanding of what we are up against.

If the Congress and the Administration had seen fit to freeze all wages, all rents, all prices at the time the Stabilization Act was passed, our job in OPA would be a snap compared with what it is today. About all we'd have to do would be to try to level off the inequities which would have been frozen into the picture as of that date.

I am not meaning to be critical of the decisions that were made by Congress and the Administration in what I say; it isn't in my heart,—I am merely trying to explain what they have done and therefore what we have to do about it.

When the Stabilization Act was passed that enabled us to really get into the food industry picture, the Congress said that we had to permit agricultural prices to rise up to parity if they were below parity at the time, or if they were above parity that we had to hold them at the highest typical or average price between January 1 and September 15, 1942.

That meant, therefore, that we were not in position to stabilize the majority of agricultural commodities because the majority of them,—and I am thinking primarily of the more important commodities,—were below parity. Therefore, we have had to sit back and watch raw materials increase in cost and there was nothing we could do about it until such time as those products reached parity.

That is a definite limitation on our operation, and I want you to keep in mind that this parity concept, as I choose to call it, is one of the limiting factors of a three-legged stool on which we have to try to balance ourselves.

The second factor is the hold-the-line order. The Administration issued an Executive Order which directed OPA to stabilize prices at retail to the consumers at the September 15, 1942, level, and further directed us that if prices were above the September 15 level, we should find some way to reduce them. Think that through in connection with this first limitation that I mentioned,—that here we had to watch agricultural prices come up, and we had to stabilize or reduce prices to the consumers. There you have two legs of our three-legged stool.

The third leg or third limitation goes back again to the Stabilization Act where the Congress said that we had to allow a fair processing margin to manufacturers dealing in agricultural commodities. We have interpreted that to also mean a fair margin for distributors. We couldn't conceive that the Congress wanted us to be fair in our margins and allowances for manufacturers without giving exactly the same equitable treatment to distributors. We have had no questions raised by anyone on that interpretation.

So there you have our third limitation, the third leg of our stool. Now let us see how the three fit together.

We have had to sit back and watch raw materials come up; we have had to stabilize retail prices or roll them back and at the same time try to put into the picture a fair margin for processing and distribution. My only comment is simply this: In many instances it is an impossible task! It would take a Houdini to do it and he's dead. We are ordinary business men and are not capable of harmonizing those three sets of limitations in any instances without resorting to a device which is the subject of one of the hottest controversies today, namely: subsidies.

Now if we are going to watch raw materials come up and have virtually no way to pass that on through to the consumer, we have either had to cut into processing and distributing margins or we have had to introduce a financial aid, call it whatever you will, in the form of a stabilization or roll-back subsidy.

OPA is taking this attitude: It is not our job to determine the policies of the country regarding subsidies or stabilization. We are not elected officials of the country. We were appointed for the purpose of carrying out the administration of a specific act. Therefore, it is the function of our elected representatives, the Congress and the Administration, to determine the country's policies on subsidies and stabilization.

If they want the line held through 1944,—and I am speaking only of food prices—it will require one and one-half billion dollars in subsidies. But even then we cannot accept the responsibility for stabilizing prices unless wages and other cost factors are also stabilized.

If the Congress and the Administration jointly decide that they want to give us that money and instruct us to hold the line, we will do the best we can to accomplish that end. If, on the other hand, they should decide that they do not care to spend the money in that manner, they then must instruct us how they want stabilization carried out and again we will do our best to carry it out according to their instructions.

We feel that we are in there as administrators just as many of you are executives of your firms and operating under the directions of your board of directors and your president. We, too, function under our board of directors—the Congress, and the president of our company—the President of the United States.

Getting back now to these limitations under which we have to operate, a question comes up: "What is a fair margin for processors and distributors?"

The Act was stated in general terms. It would be very difficult to state an Act in other than general terms. If a price increase is required by law, or if a price increase is deemed necessary by the Administrator of OPA to secure production or to correct inequities, such increases can be made. Increases to secure production or to correct inequities, if they result in increases in the cost of living, must be approved by Director Vinson of the Office of Economic Stabilization. To determine whether or not a price increase is required by law, we must have complete cost and profit data. Likewise, where we must have approval from Judge Vinson, we can't merely go to him and say "Judge, we think these fellows ought to have an increase in their prices." We must present an air-tight case based on accurate data.

You have heard a lot of talk about profit control in OPA so I am going to step right into the middle of that and tie it back to this subject of fair margins and allowances. "Jim" Brownlee has told you that OPA officials are not profit-control minded and I want to say that this statement is correct.

The theory of the parity concept was that the farmer deserved that protection which was granted to him by saying that agricultural prices would rise to parity. The consumers and wage earners are given protection by the hold-the-line order which was to prevent them from having to go into an excess cost expenditure in order to live under today's conditions. Therefore, I wish you would think of what I am going to say about profits not in terms

of profit control but in terms of profit protection.

We have had to establish a base period in order that we could go to Judge Vinson's office and say, "This industry has been hurt and here is the reason we feel it has been hurt, and therefore we must grant it an increase in prices."

We have taken as our base years 1936 to 1939, inclusive. We have taken them for two reasons: First, the Treasury Department has been using that same base period in its calculations of excess profits; therefore, we tie back to what has been going on for sometime before OPA came into the picture.

In the second place, all of our studies indicate that the vast majority of industries made a satisfactory net profit before taxes during the years 1936 to 1939. Therefore, Judge Vinson has approved the use of that base period. It is not an official approval in terms of a generalization but it has been a specific approval on individual cases that we have taken to him.

We must be the first to grant that this base period may not be fair for an individual segment of the food industry and therefore we have a flexibility in the picture in order that we can be fair. If an industry can show us with accurate figures from their own companies' statements that the years 1936 to 1939 constitute an unfair base period and can demonstrate that some other period is a fair base, we will change from our usual base period to the one that is fair. In other words, we are trying to get a little plain horse sense into the picture.

As we talk to industry groups and talk in terms of profit protection, just as we have granted protection to agriculture, protection to consumers and labor, I have had very few men argue with the fundamentals of what I am talking. Nearly every man in every part of the food industry is willing to grant that if he can come through this war with his organization and his capital structure unimpaired, he would rather go through the war without the excess profits such as we had in the last war than to go into a tailspin with a bad deflation when this war is over.

That, therefore, is the basis upon which we have gone to many industries and said, "we must have your cost and profit figures before we can grant a price increase or before we can even take it to Judge Vinson's office to ask for approval of an increase in prices."

Our answer to the question, "What is a fair allowance or margin for processors and distributors?" is simply this. If we protect the industry's earnings as of a normal base period, we have obviously given that industry a fair distributors' margin or processors' allowance.

So that we may know how to handle the pricing of processed fruits and vegetables for the 1944 pack, we are now conducting an extensive cost and profit study of this industry. We are sending our accountants into the offices of 250 canners who are typical of the industry by commodity, by size of firm, and by geographical areas. When we first started this study, some of the firms did not understand why it was done but the cooperation since the early days of the study has been excellent.

I don't mean to imply, gentlemen, that any of us likes to have to operate on such a stringent basis. It would be an unfair implication to say we like it. We don't! But with the limitations placed on us by the Congress and by the Administration, we have no alternative, except to handle the situation much as I have outlined to you. If any of you want my job, you can have it starting today! It's no fun to have to operate this way, but neither is it any fun to see this country head into an inflation and know what is going to happen when the deflation hits after the war and after a post-war inflationary period.

Since coming into OPA about six months ago, we have faced three major sets of jobs. The first was to put the remaining principal agricultural commodities under effective ceilings in order to prevent further pressure against processors' costs. During this period we have put live hogs and cattle under control. Corn was already under control, but we had to make a modification in its price. We have since added both soft and hard wheat, and now have oats, barley, and grain sorghums under regulation. We have stepped into the field of fresh fruits and vegetables, and intend to continue with this job until all the major fruits and vegetables are under control. There is no need to discuss with this industry the need for this latter step.

The second set of major jobs has been to correct inequities and bad features which crept into our regulations. We have been working very closely with industry in attempting to make our regulations practical and workable.

The third major job is one which we are starting now, and that is to standardize and simplify our entire regulation structure. We have far too many regulations, and plan to reduce the total number to about one-fourth. For instance, we have eleven regulations covering canned fish, whereas these should all be reduced to a single regulation with provisions for taking care of each individual product where differences are needed from the way other products are handled. We also plan to write our regulations in the simplest English so that you and I can understand them. This will take several months, but Mr. Bowles is very anxious for us to push it, so I am sure it will be done.

There are very few people who are opposed to stabilization. Nearly everyone feels that we would be in a very bad condition if prices were allowed to go into an upward spiral, because that would result in a bad downward spiral at a later date. However, few people realize what a real job has been done in stabilizing our economy during this war as compared with the last war.

The outstanding job is in the field of industrial goods. During the last war copper sold at 37 cents a pound. Now it sells at 12 cents a pound. Zinc reached a high of 27 cents a pound in the last war. Now this ceiling is 8¼ cents. Lead was selling at 11½ cents in World War I, and now it is only 6½ cents. Rolled steel sheets hit a top of $8.70 a hundred in the first World War—now they are $3.20. The effect of such complete stabilization is realized by very few people. If prices of industrial goods had risen during this war at the same rate that they went up during the last war, our expenditures on the war effort—and by that I mean the manufacture of ships, planes, tanks, guns, and other war articles—would have been 67 billion dollars more than was actually spent between July, 1941, and December, 1943.

Just to have a little fun, let me give you a picture of what a vast sum a billion really is. If you were to put a dollar on the dotted line every minute since the birth of Christ, it would be only a small percentage over a billion. Therefore, when I say to you that stabilization has saved us in costs during the war so far 67 billion dollars, it is the equivalent of at least a dollar a second since the birth of Christ. Would you like to pay the excess bill which we would have had without stabilization?

If we had been instructed to stabilize all agricultural prices and all other food prices at the beginning of the Stabilization Act, we could show a comparable saving in food prices; but due to the parity concept and the fact that wages were not completely stabilized, we have not been able to make quite as good a showing. On the other hand, food prices during this war have gone up only approximately one-half as far as they did in the first World War. So stabilization really has done a job.

## California Sardine Report

Estimated figures on tonnage of sardines delivered to California processing plants and cases of sardines packed during the current season to February 12, 1944, inclusive, as reported by the California Sardine Products Institute, are as follows:

| Tonnage | Tons |
|---|---|
| San Francisco Bay | 126,101 |
| Monterey | 210,892 |
| Southern California | 128,232 |
| Total | 465,225 |

| Pack—Can sizes | Cases |
|---|---|
| 1-lb. ovals | 1,364,777 |
| 1-lb. talls | 1,550,043 |
| ¼-lb. fillets | 17,106 |
| ¼-lb. round 90's | 73,898 |
| 5-oz. 100's | 7,344 |
| Miscellaneous | 66,326 |
| Total | 3,084,494 |

## KRAUT PROCESSING URGED

### WFA Encourages Packing of 50,000 Tons; to Help Defray Transportation

With the winter cabbage crop the largest on record and civilian supplies of sauerkraut at their lowest levels in history, the War Food Administration is encouraging packers to process up to 50,000 tons of kraut.

WFA will help defray transportation costs up to $16 per ton for all cabbage purchased in nine southern and western States and processed into kraut by packers. The payments are to help equalize the added costs of transportation in moving cabbage from the southern and western States where it is produced to other sections of the country where the major kraut packing plants are located and at the same time enable packers to sell the kraut processed from this cabbage at existing ceiling prices.

Normally, winter-grown cabbage is not used widely in the production of kraut. This year, however, due to the indicated record production of 483,600 tons, which is 74 per cent above the 1943 winter cabbage production, kraut packers will be urged to use as much as possible.

To be eligible for transportation equalization payments, packers must pay growers not less than $15 bulk per ton for their cabbage loaded f.o.b. shipping point, including ventilation racks when necessary. Payments will be made on cabbage produced in Florida, Texas, Louisiana, Mississippi, Alabama, Georgia, South Carolina, California and Arizona.

A limited quantity of tin containers will be made available to facilitate the marketing of kraut made from this cabbage. Much of it, however, will be marketed in bulk (wooden kegs or barrels) in order to conserve vital materials needed for direct war uses.

No bid will be accepted unless the packer agrees to assume at least $7 of the cost of transportation per ton of cabbage (the difference between the maximum average price of $22 per ton for cabbage delivered at packing plants which packers can reflect under existing ceiling prices for sauerkraut and the $15 price which they are required to pay for cabbage at shipping points under the WFA's diversion program). Bids will not be accepted after April 30, and the cabbage must be diverted into sauerkraut on or before May 16.

To be eligible for payments, processors must make at least 130 gallons of sauerkraut from each ton of cabbage for which payments are claimed unless WFA determines that failure to process this minimum is not due to the fault or negligence of the packer. In the absence of such determination and in the event less than 130 gallons of sauerkraut per ton of cabbage is diverted, the diversion payment will be reduced proportionately.

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## WFA Cabbage, Kraut Campaign

The War Food Administration on February 21 designated winter grown cabbage as a Victory Food selection for the period February 24 to March 4 and urged increased consumption of this product throughout the 10-day period as a means of conserving the largest winter crop of cabbage in history.

With an indicated crop of 483,600 tons moving to market—74 percent larger than the 1943 winter cabbage production—Lee Marshall, WFA's Director of Food Distribution, launched a campaign to have more cabbage served during the designated period.

WFA also has announced a sauerkraut diversion program as another means of conserving the large crop. WFA estimated up to 50,000 tons of the cabbage would be processed into kraut because of this program. Some of the cabbage will be dehydrated also as another step in the cabbage campaign.

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## Exempt Vegetable Seeds Are Brought Under Price Control

Maximum Price Regulation No. 496, controlling the prices of vegetable seeds, was amended recently by the Office of Price Administration to bring under control certain seeds previously exempt; to free State-certified varieties of onion seed; and to make other changes, principal among them adjustments of previously announced maximum prices.

The dry commercial field bean seeds previously exempt from price control were brought under the regulation because they have a direct relationship with key varieties of green bean seeds. These include the following classes of dry, commercial field bean seeds: Pea, medium white, great northern, small white, pink, pinto, cranberry, light red kidney, dark red kidney, western red kidney.

The maximum price which farmer-producers can charge for pea seeds in California is increased three-fourths of a cent a pound to bring it more closely into line with other prices listed in the regulation and to stimulate production.

## Tomato Juice Pack for 1943

The canned tomato juice pack in 1943 amounted to 19,251,559 actual cases, compared with 20,738,394 actual cases in 1942, according to figures compiled by the Association's Division of Statistics. On the basis of 24 No. 2 cans to a case, the canned tomato juice pack totalled 22,848,901 cases for 1943 and 25,177,653 for 1942.

The pack report summarizes reports of canners who packed tomato juice in 1943. The report includes tomato juice and tomato cocktail. The following table presents the pack by can sizes for the past two years:

| Can name | Cans per case | 1942 *Cases* | 1943 *Cases* |
|---|---|---|---|
| 8Z Tall (incl. 8Z short) | 48 | 86,088 | 2,435 |
| No. 1 Picnic | 48 | 470,091 | 2,526 |
| No. 211 Cyl. | 48 | 506,580 | 411,525 |
| No. 300 (incl. all 300 cans from 407 to 412) | 48 | 1,665,556 | 60,143 |
| No. 1 Tall | 48 | 45,934 | 68,580 |
| No. 303 Cyl. | 24 | 1,713,999 | 67,736 |
| No. 2 | 24 | 3,106,909 | 6,292,997 |
| No. 2 Cyl. (incl. all 307 cans from 505 to 513) | 24 | 1,285,522 | 584,452 |
| No. 3 Cyl. (incl. 404 cans from 615 to 708) | 12 | 7,109,176 | 6,623,591 |
| No. 10 | 6 | 3,316,651 | 4,557,513 |
| Miscellaneous | .. | 523,711 | 143,130 |
| Class | .. | 817,287 | 436,951 |
| Total | | 20,738,394 | 19,251,559 |
| Total (Basis 24/2's) | | 25,177,653 | 22,848,901 |

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## California Sardine Catch

Catches of California sardines, in the Northern and Central districts, were substantially higher this season than a year ago, according to preliminary figures, but so far the Southern district has fallen behind last year's production totals, the Office of the Coordinator of Fisheries has announced.

The pilchard season in the Northern and Central districts, centered at San Francisco Bay and Monterey, has ended, but fishing will continue in the Southern district, centered at San Pedro, until February 29, it was stated.

As of January 29, the catch from all three districts for the season totaled 454,543 tons. This compares with 458,903 tons for the same period in the previous season.

The catch at San Francisco through January 29 was 125,721 tons as against 115,100 tons for the previous season; at Monterey, 204,528 as against 157,520; and at San Pedro, 124,294 compared with 186,283.

## Renegotiation Refund Reserves

Reserves for renegotiation refunds which war contractors may set up and show in their statements and annual reports are not to be regarded by government renegotiation officials as binding on contractors, according to a recent ruling by the Joint Price Adjustment Board, representing the War, Navy and Treasury Departments, Maritime Commission, War Shipping Administration, and Reconstruction Finance Corporation.

## Point Default Reports

Fish canners are enabled to report defaults in point-payment by their distributors on the Friday following the week in which such defaults occur, under terms of Amendment 104 to Rationing Order 16, which recently became effective. Previously such defaults had to be reported to district offices of the Office of Price Administration immediately after they occurred, that is, as soon as the 10-day grace period for paying points expired.

## Frozen Fruit and Vegetable Stocks Held in Cold Storage

Stocks of frozen fruits in storage on February 1, 1944, totaled 208,582,000 pounds, against 227,035,000 on January 1, 1944, and 172,103,000 on February 1, 1943, according to the Food Distribution Administration. Frozen vegetable stocks on February 1, 1944, were 170,108,000 pounds against 185,803,000 on January 1 this year and 95,344,000 on February 1, 1943. The following table furnishes details by commodities:

| Fruits | Dec. 1, 1942 *1,000 lbs.* | Nov. 1, 1943 *1,000 lbs.* | Dec. 1, 1943 *1,000 lbs.* |
|---|---|---|---|
| Blackberries | 6,331 | 8,823 | 7,321 |
| Blueberries | 7,096 | 13,903 | 13,249 |
| Cherries | 26,268 | 19,925 | 17,122 |
| Logan and similar berries | 3,812 | 4,261 | 3,910 |
| Raspberries | 15,267 | 15,731 | 14,874 |
| Strawberries | 31,354 | 23,629 | 20,076 |
| Other fruits | 52,526 | 105,573 | 93,518 |
| Classification not reported | 29,449 | 35,190 | 36,312 |
| Total | 172,103 | 227,035 | 208,582 |
| **Vegetables** | | | |
| Asparagus | 4,404 | 5,554 | 4,720 |
| Beans, lima | 12,557 | 10,612 | 10,031 |
| Beans, snap | 4,761 | 14,819 | 14,043 |
| Broccoli, green | 1,109 | 2,046 | 2,218 |
| Corn, sweet | 5,658 | 16,235 | 15,319 |
| Peas, green | 27,408 | 44,317 | 39,580 |
| Spinach | 5,689 | 11,869 | 11,562 |
| Other vegetables | 10,150 | 32,862 | 28,506 |
| Classification not reported | 20,608 | 47,289 | 44,129 |
| Total | 92,344 | 185,803 | 170,108 |

## ALLOCATIONS OF FROZEN VEGETABLES ANNOUNCED

### WFA Expects 28 Million Pounds More Available to Civilians than Last Year's Figure

Revised allocations of frozen vegetables for the year ending June 30, 1944, announced recently by the War Food Administration, are expected to result in more of these products for civilian consumption.

With the 1943-44 production for all purposes expected to reach an all-time record high of 233 million pounds (frozen weight) by June 30, civilians should receive about 158 million pounds, or approximately 28 million pounds more frozen vegetables than they received during the past crop year (1942-43), WFA said. Almost all the rest of the frozen vegetable production goes to the armed forces, with a small quantity going to Hawaii. The armed services will receive over 74 million pounds by the end of June, while Hawaii will get slightly more than a million pounds. All vegetables are allocated for the period July through June, which is comparable to a crop year.

Civilians received approximately 129.6 million pounds of frozen vegetables during the crop year 1942-43 and nearly 105.1 million pounds during the comparable period in 1941-42. The armed forces received 32 million pounds in 1942-43 and only 2 million pounds during the preceding crop year. Only a few thousand pounds were exported during the two crop years.

The following table is the WFA summary of allocations of frozen vegetables for July 1, 1943 to June 30, 1944, in thousand pounds, frozen weight:

| Commodity | Allocation[1] Total *1,000 lbs.* | U. S. war services *1,000 lbs.* | Hawaii *1,000 lbs.* | U. S. civilian *1,000 lbs.* |
|---|---|---|---|---|
| Beans, snap | 28,000 | 9,087 | 167 | 18,746 |
| Beans, lima | 24,500 | 12,938 | 57 | 11,505 |
| Corn kernels | 22,000 | 12,082 | 78 | 9,840 |
| Peas | 75,000 | 22,956 | 337 | 51,707 |
| Spinach | 30,000 | 10,880 | 170 | 18,950 |
| Asparagus | 11,000 | 2,696 | 49 | 8,255 |
| Broccoli | 10,000 | 679 | 56 | 9,265 |
| Brussels sprouts | 9,000 | 180 | 54 | 8,766 |
| Cauliflower | 5,000 | 212 | 30 | 4,758 |
| Corn on cob | 1,500 | 0 | 4 | 1,496 |
| Other minor vegetables | 17,000 | 2,343 | 87 | 14,570 |
| Total | 233,000 | 74,053 | 1,089 | 157,858 |

[1] Allocation as revised January 25, 1944.

The following table gives the WFA allocation as a per cent of total allocation:

| Commodity | Total *Per cent* | U. S. war services *Per cent* | Hawaii *Per cent* | U. S. civilians *Per cent* |
|---|---|---|---|---|
| Beans, snap | 100.0 | 32.5 | .6 | 66.9 |
| Beans, lima | 100.0 | 52.8 | .2 | 47.0 |
| Corn kernels | 100.0 | 54.9 | .4 | 44.7 |
| Peas | 100.0 | 30.6 | .4 | 69.0 |
| Spinach | 100.0 | 36.3 | .6 | 63.1 |
| Asparagus | 100.0 | 24.5 | .4 | 75.1 |
| Broccoli | 100.0 | 6.8 | .6 | 92.6 |
| Brussels sprouts | 100.0 | 2.0 | .6 | 97.4 |
| Cauliflower | 100.0 | 4.2 | .6 | 95.2 |
| Corn on cob | 100.0 | 0 | .3 | 99.7 |
| Other minor vegetables | 100.0 | 13.8 | .5 | 85.7 |
| Total | 100.0 | 31.8 | .5 | 67.7 |

## Price Reports to OPA

Canners are required to report to the Office of Price Administration the calculations of their maximum prices for those items that were not flat-priced by OPA regulation. Many canners have not reported their prices of these items. OPA has asked that canners be urged to send in their price reports immediately. Calculations of the 1944 pricing formula may be delayed if the canners' reports are not made promptly.

## Ehrlich Resigns from OPA

Melville Ehrlich, Acting Chief Counsel of the Poultry, Eggs and Dairy Products Price Branch of the Office of Price Administration, and formerly in charge of both processed and fresh fruit and vegetable price activities in that agency, has resigned, effective March 1, and will enter the private practice of law in Washington. Mr. Ehrlich has been with OPA for more than two years.

## CAN COATING PROGRAM

### Requirement Covers Large Proportion of Cans for Overseas Supply

At the Chicago Conference, Brig. Gen. Carl A. Hardigg and J. Howard Hamilton announced that a large proportion of the canned foods purchased by the Quartermaster for overseas shipment must be given an external protective coating to prevent serious rusting and to provide camouflage. Preliminary arrangements with canners will be made through the field buyers, but actual coating will be done only after receipt of specific instruction about designated lots of canned foods.

The coating is to be carried out according to Quartermaster Tentative Specification C.Q.D. 200A. Copies of this specification may be obtained from field buyers or from the Commanding General, Chicago Quartermaster Depot, 1819 West Pershing Road, Chicago 9, Illinois.

The specifications require that the coating material be approved by the Quartermaster General prior to its application. A list of manufacturers whose products have been approved may be obtained from the Chicago office. Each manufacturer of coating materials will be expected to provide detailed instructions for the use of his product, so that the coated cans will comply with the specifications.

There is no requirement as to how the coating material shall be applied to the cans. The tests conducted by the Rust Prevention Committee of the National Canners Association showed that a satisfactory coating could be applied by either spraying the material on to the cans or by dipping them into the coating material. The large-scale factory tests carried on by the Quartermaster Corps showed that the dipping method was simpler to operate than the spraying procedure. The drying of the coated cans is practically the same, no matter how the coating is applied.

As Mr. Hamilton pointed out, the canners who have been asked to help in the large-scale tests have devised their own equipment, using to a large extent material already on hand in their plants. It is believed that the other canners who will be asked to coat cans for the Army also will be able to provide the necessary equipment with the minimum amount of new machinery. Suggestions about equipment may be obtained from the Technical Committee for Rust Prevention (which includes representatives of the research laboratories of the can manufacturing companies), the manufacturers of the coating materials, and the field buyers and specialists of the Army Quartermaster Corps.

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## Export Package Specifications

The War Food Administration, on February 25, issued FSC-1742-D—specifications for a number of types of export boxes which supersede their former specification FSC-1742-C. These new WFA specifications do not govern Army purchases, which are still covered by O.Q.M.G. No. 93. They will, however, apply to purchases by the War Food Administration for Lend-Lease supply, the Red Cross, and other export procurement not handled by the Quartermaster Corps. Specifications FSC-1742-D cover corrugated and solid fiberboard boxes, wirebound wood boxes, nailed wood boxes and barrels.

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## OPA Establishes Prices for Fresh Table-use Citrus Fruit

A new regulation controlling the prices of fresh citrus fruits sold for table use, in sales except at retail, has been issued by the Office of Price Administration, acting under a directive from Economic Stabilization Director Fred M. Vinson. Amendment No. 19 to Maximum Price Regulation No. 426, establishes the following basic f.o.b. shipping point maximum prices for the fresh citrus:

ORANGES — California-Arizona District, season of November 16-April 30, $3.85 a box of 1⅘ bushels, which amounts to 5 cents a pound; season of May 1 to November 15, $4.30, which amounts to 5.6 cents a pound; Indian River, (Fla.) District, season of September 1-February 29, $3.89 for a box of 1⅘ bushels, which amounts to 4.3 cents a pound; season of March 1-August 31, $4.01, which amounts to 4.4 cents a pound, all districts except California-Arizona and Indian River, season of September 1-February 29, $3.45, which amounts to 3.8 cents a pound; season of March 1-August 31, $3.75, which amounts to 4.2 cents a pound.

GRAPEFRUIT—California-Arizona District, season of November 1-April 30, $2.79 for a box of 1⅗ bushels of white grapefruit, which amounts to 4.1 cents a pound; season of May 1-October 31, $3.48, white, which amounts to 5.1 cents a pound; all year, $3.03, pink, which amounts to 4.5 cents a pound; Indian River, season of September 1-February 29, $3.01 for a box of 1⅗ bushels, white, which amounts to 3.8 cents a pound; season of March 1-August 31, $3.27, white, which amounts to 4.1 cents a pound; all districts except California-Arizona and Indian River, season of September 1-February 29, $2.51, white, which amounts to 3.1 cents a pound; season of March 1-August 31, $2.77, white, which amounts to 3.5 cents a pound; season of September 1-February 29, $2.96, pink, which amounts to 3.7 cents a pound, season of March 1-April 30, $3.17, pink, which amounts to 4 cents a pound.

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## Winners of "A" Awards

Seventeen canning companies (total of 66 plants) have earned the War Food Administration achievement "A" award for outstanding performance in food production, it has been announced by WFA. Following is a list of the awards to date:

Big Horn Canning Company, Cowley, Wyo.

California Packing Corporation—Plants at San Leandro, Oakland (2), Emeryville, Elmhurst, San Jose (3), Sacramento (2), Kingsburg, Yuba City and Fresno, Calif.; Rochelle (2) and DeKalb, Ill.; Sleepy Eye and Wells, Minn.; Arlington, Wisc.; Franklin, Idaho; Salem, Oreg.; Ogden, Spanish Fork and Smithfield, Utah; and Toppenish, Yakima and Vancouver, Wash.

H. P. Cannon & Son, Bridgeville, Del.

Columbus Foods Corporation, Columbus, Wisc.

Comstock Canning Corporation—Plants at Penn Yan, Rushville, Marion, Egypt, East Pembroke, and Red Creek, N. Y.

Crampton Canneries, Inc., Celina (2), Ohio.

Fairmont Canning Company—Plants at Fairmont, Waseca, and Winnebago, Minn.

Hanover Canning Company, Hanover, Pa.

H. J. Heinz Company, Chambersburg, Pa.

Idaho Canning Company, Fayette, Idaho.

Knouse Corporation—Plants at Chambersburg, and Peach Glen, Pa.

Kuner-Empson Company—Plants at Appleton, Brighton, Fort Lupton, Grand Junction, Greely, Longmont and Loveland, Colo.

Minnesota Valley Canning Company—Plants at Blue Earth, Cokato, Le Sueur, Montgomery, Watertown, Winsted and Winthrop, Minn.

Northland Canning Company, Cokato, Minn.

Reid, Murdoch and Company, Rochester, Minn.

The B. F. Shriver Company—Plants at New Windsor and Westminster, Md; Littlestown, Pa.

D. E. Winebrenner Company, Hanover, Pa.

## Proper Handling of CCC Forms Will Speed Up Settlements

Government officials engaged in processing canners' applications for settlement under the Commodity Credit Corporation's purchase and resale program have advised the Association that the majority of the forms are properly executed and that canners are to be commended for the manner in which they handle their part of the application procedure. However, some discrepancies and omissions occasionally are made and it has been requested that the Association call these to the attention of canners who have not executed the final settlement forms. Care exercised in the filing of the forms and schedules makes correspondence unnecessary and speeds up the canner's receipt of his final settlement check.

An original and two copies, a total of three, of the final settlement form must be filed. In the case of all other forms a total of only two copies is required. Form 4 must be signed and witnessed by two witnesses.

In some cases canners have filled out Form 5 (certification by the State Agricultural Conservation Committee) without having the form certified. The form requires the State committee's certification before final settlement can be made.

Canners are required also to file two copies of their releases received from the Quartermaster Corps. However, they may make copies of the releases and need not get copies from the Army buyers or the purchasing depots.

Wherever discrepancies appear in the making out of Form 4 such discrepancies must be explained. Cases where discrepancies have occurred are in the totals in Section II and Section III of the form dealing with the quantities to the Army and held under the reservation order.

## Dried and Frozen Requirements

Government requirements of canned fruits and vegetables from the 1944 packs were reported in last week's INFORMATION LETTER, both in the text of the reservation order—FDO 22.6—and in the addresses of several of the speakers at the recent Processors' Conference in Chicago.

At the Conference, requirements of dehydrated and frozen foods were announced and are summarized below.

*Dehydrated Foods.*—Lt. Col. Cecil G. Dunn of the Office of the Quartermaster General, told members of the National Dehydrators Association that 1944 Army requirements will total 166 million pounds, broken down as follows:

Apple nuggets, 9½ million pounds; beets, 6½ million pounds; cabbage, 7 million pounds; carrots, 5 million; onions, 10 million; white potatoes, 100 million; sweet potatoes, 22 million; and rutabagas, 1 million.

*Frozen Foods.*—Carl R. Kolb of the Quartermaster Corps told members of the National Association of Frozen Foods Packers that the objective of the armed forces in their 1944 procurement program is the purchase of 50,000,000 pounds of frozen vegetables. The frozen fruit program for 1944 is now being developed but Mr. Kolb stated he thought it would not be sufficiently large to warrant an over-all program.

## CCC Transportation Cost Forms

Forms and instructions applying for transportation cost increases in the case of snap beans, tomatoes and green peas under Section 10a of the Commodity Credit Corporation's purchase and resale program are now available. The form (1943 CCC Vegetable Form 7) must be used in all applications except for California tomatoes.

## Georgia Association Officers

Following are the newly elected officers of the Georgia Canners Association for 1944: President, Paul Ploeger, Sr., Darien; first vice-president, J. Logan Bloodworth, Haddock; second vice-president, Fondren Mitchell, Thomasville; secretary-treasurer, Wallace W. Scoville, Thomasville.

## Present Ceilings Will Apply Until 1944 Prices Are Issued

Maximum prices established for the 1943 fruit and vegetable pack will also apply to fruits and vegetables packed up to the time that a 1944 pricing regulation is issued, the Office of Price Administration said February 25, in issuing Amendment 27 to Maximum Price Regulation No. 306, effective February 25, 1944.

The announcement was made to clear up confusion and, especially, to provide explicit ceiling prices and pricing formulas for such vegetables of the 1944 crop as snap beans, beets and tomatoes, now being packed in Texas and Florida.

OPA's Maximum Price Regulation No. 306, setting ceiling prices on fruits and vegetables of the 1943 pack, specifically applied only to the 1943 packing year. The amendment extended its coverage to include items packed in 1943 and after and, in particular, items packed on and after January 1, 1944, until establishment of a 1944 pricing regulation.

## SURPLUS FOOD HOLDINGS

### Executive Order Places their Disposition Under Jurisdiction of WFA

In creating, by a February 19 executive order, a Surplus War Property Administration, the President provided for assigning to the War Food Administration the disposition of surplus holdings of government-owned food supplies. Food surpluses outside the United States, however, are left to the control of the Foreign Economic Administration.

The order (Executive Order 9425) placed the Surplus War Property Administration in James F. Byrnes' Office of War Mobilization. William L. Clayton has been appointed administrator of the coordinating agency.

The administrator, with the assistance of a policy board composed of representatives from the State, War, Navy, Treasury and Justice Departments, the Reconstruction Finance Corporation, War Production Board, War Food Administration, and a number of other government agencies, is given, to the full extent that such matters are provided for or permitted by law, general supervision and direction of the handling and disposition of surplus war property and the transfer of surpluses within the government agencies.

Food surpluses are to be assigned to the War Food Administration for disposition, according to the order, unless the director of War Mobilization rules otherwise. Surplus war property is defined in the order as any property, new or used, in the possession or control of any government agency in excess of the needs of the particular agency. The order assigns the disposition of other surpluses to appropriate agencies, such as ships and maritime property to the United States Maritime Commission.

The order does not create or establish a policy to be followed in the handling or disposition of surplus property, but authorizes the administrator to prescribe regulations and issue directions necessary to effectuate the purposes of the order. The order does not contain a statement of its purposes.

## Machinery Men Elect Officers

The following officers were elected for 1944 by the Canning Machinery & Supplies Association at their annual meeting, held in Chicago during the recent Processors' Conference:

President—William DeBack, Chisholm-Ryder Co., Niagara Falls, N. Y.; vice-president—Roscoe Roberts, American Can Company, New York, N. Y.

## DETAILS OF RETIREMENT PLAN FOR N.C.A. EMPLOYEES

As reported in last week's INFORMATION LETTER, the Board of Directors of the National Canners Association at its meeting in Chicago approved a retirement plan for employees of the Association.

Under this plan employees who have rendered 15 or more years of service and who have attained age 65 may retire and receive an annual allowance based upon their salaries and the number of years they have been in the Association's employ. The Association may grant an extension of service beyond age 65, if such extension is deemed desirable.

With the consent of the Association, an employee who has attained age 60 and has had 20 or more years of service may retire on an early retirement allowance.

The plan also provides for a disability retirement allowance to an employee who has been in service for 20 years or more and who becomes totally and permanently incapacitated for further service.

As an example of the retirement allowance payable at age 65, take the case of an employee whose salary at establishment of the plan is $4,000 and whose age is 45 and service 10 years. He will have 20 years to serve before he reaches age 65. If his future salary averages $4,800 per annum, his annual retirement allowance for future service will be:

| | | |
|---|---|---|
| 1.1 per cent of $3,000, or $33.00, x 20 or | $660 | |
| plus 2.1 per cent of $1,800, or $37.80, x 20 or | 756 | |
| or a total of | | $1,416 |
| His allowance for past service will be: | | |
| ¾ of 1 per cent of $3,000, or $22.50, x 10 or | $225 | |
| plus 1½ per cent of $1,800, or $15.00, x 10 or | 150 | |
| or a total of | | 375 |
| Total retirement allowance for past and future service | | $1,791 |

The cost of the plan was calculated by an actuary specializing on retirement plans, and it will be financed through a pension fund to which the Association and the can manufacturers have agreed to contribute $100,000 and $120,000, respectively, an amount sufficient to cover the accrued liability for service of employees up to the date of the establishment of the plan. The cost of benefits based on future service of employees will be financed by an annual contribution by the Association to the Pension Fund approximating 10 per cent of the payroll of employees covered by the plan.

The plan will be administered by a board of three or more trustees under a trust agreement.

Adoption of the retirement system resulted from several years active interest and study by the Pension Committee consisting of A. M. Lester, Chairman; E. B. Cosgrove, and H. L. Cannon. Because of his interest in the establishment of a retirement system for Association employees and his desire to facilitate the financing of the plan, Secretary Gorrell, at his own request, is not included in the list of employees covered by the retirement system.

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### Canadian Canned Food Decrease

A survey of canned fruits and vegetables stocks held by canners, wholesalers and chain store warehouses in Canada on October 1, 1943, showed a great reduction in most types, according to the Department of Commerce.

Stocks of canned fruits totaled only 1,100,000 dozen cans, less than half the stocks a year earlier and slightly more than one can per capita. The sharpest reduction was in the case of peaches, due to a poor 1943 crop.

Stocks of canned vegetables were about 4,730,000 dozen cans smaller while stocks of tomato juice were slightly higher than a year ago.

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### New Glass Container Quotas

The War Production Board has set 1944 quotas for new glass containers for non-alcoholic beverages at 80 per cent of the number accepted by the packer in 1941 for use, and the quota for new glass containers for wines and distilled spirits at 100 per cent of the number used in 1943. For malt beverages, the quota is set at 100 per cent of the number of returnable bottles accepted by packers in 1943 for this use. This is accomplished under terms of Order L-103-b as amended February 19.

### Freight Handling Tips

In line with the goal of 10 per cent improvement in over-all freight car performance, the War Transportation Efficiency Committee has prepared a leaflet which includes the following suggestions for shippers and receivers to help achieve such improvement.

1. Don't order more cars than are actually needed and can be loaded promptly. Don't order cars for the same shipment from more than one railroad.

2. Load and bill cars on day placed or within 24 hours after placement.

3. Load cars to full load limit or cubic capacity. Arrange loads for safest transportation, applying necessary bracing and dunnage.

4. Cooperate with other shippers, if necessary, to insure maximum loading of cars.

5. Load cars so they can be unloaded from either side.

6. Utilize equipment of lowest class suitable for your shipments. Don't load high-class cars with contaminating commodities.

7. Don't insist on certain types of cars when the shipment can be handled satisfactorily in alternate types.

8. Avoid all possible light weighing of cars.

9. Avoid unnecessary weighing and reweighing.

10. Load and unload six full days weekly, including holidays—seven days where necessary to avoid delay.

11. Avoid use of cards reading "Do not hump," "Unload from this side," etc.

12. Furnish shipping instructions promptly.

13. Try to schedule shipments to avoid all possible movement during peak periods.

14. Regulate shipments in accordance with consignees' daily unloading capacity, so as to avoid bunching at destination.

15. Avoid scheduling shipments by overloaded routes.

16. Avoid circuitous routing which wastes car-days. Select practical routes. Resist solicitation to use wasteful routes.

17. Make advance arrangements for labor to unload cars, so that cars can be released promptly.

18. Unload all cars within 24 hours—sooner if practicable.

19. Notify the railroad as soon as cars are unloaded.

20. Remove all dunnage and debris promptly, leaving car ready for next load. Close doors to keep interior dry and clean.

21. Don't ask for special switching or other services, unless such services will result in release of a large number of cars.

22. Buy materials as close to point of consumption as possible.

## Provision for Paper Machinery

Allocation of controlled materials for the second quarter of 1944 will include an increased amount to be used for the manufacture of new pulp, paper mill and converting machinery, the Paper and Paperboard Divisions of the War Production Board have announced.

## Canned Milk Statistics

The production of canned evaporated milk in 1943 is estimated at 3,075,048,000 pounds, a decrease of 13 per cent under the production of 1942, but an increase of 29 per cent over the 5-year (1937-41) average. In only three months—July, August, and September—was production higher than that of the same month a year earlier, the remaining nine months showing decreases ranging from 3 per cent in June to 35 per cent in January.

The December 1943 production, estimated at 168,100,000 pounds, was 6 per cent smaller than the December, 1942, production, but 6 per cent larger than the 5-year (1937-41) December average.

Manufacturers' stocks of evaporated milk, case goods, on January 1, 1944, totaled 181,876,000 pounds, or 120 per cent more than the unusually low stocks on that date a year earlier, but 16 per cent less than the 5-year (1938-42) January 1 average. Compared with December 1, 1943, present stocks declined around 17,000,000 pounds or about 8 per cent.

Production of canned condensed milk, unskimmed, in 1943 is estimated at 110,365,000 pounds. This production was 64 per cent larger than that of 1942, 78 per cent larger than the 5-year (1937-41) average, and, with the exception of 1941, the largest production for any year since 1930. The December output estimated at 7,775,000 pounds was 10 per cent larger than that of December, 1942, and 70 per cent larger than the 5-year (1937-41) December average.

Manufacturers' stocks of condensed milk, case goods, also decreased moderately in December. January 1 stocks are placed at 6,423,000 pounds, which is 52 per cent above a year earlier but 18 per cent below the 5-year January 1 average.

## Installment Issuance of Farm Gasoline Rations Authorized

Local War Price and Rationing Boards have been authorized to issue six-month gasoline rations for non-highway use on farms in installments rather than all at one time as in the past, the Office of Price Administration announced in issuing Amendment No. 105 to Ration Order 5C, which became effective February 25.

Mainly because of the difficulty of predicting weather over long periods, OPA said, estimates of farm gasoline requirements for six-month periods cannot be exact.

Issuance of rations in installments will permit boards to revise their original estimate. At the same time it will help the farmer to budget his gasoline consumption.

Upon the advice of the War Food Administration, OPA has been issuing gasoline rations to farmers in six-month periods. Under the new provisions, local boards that issue only a part of a farmer's ration will issue, when the farmer requests that he needs more gasoline, either (1) the remainder of the total six-month ration which was originally determined or (2) such portion of this remainder as the board decides the farmer needs for the rest of the six-month period. No formal application need be made by the farmer for this second installment of the ration.

## OPA Publishes New Directory of Commodities and Services

A new Directory of Commodities and Services, containing up-to-date information about Office of Price Administration regulations and a listing of key persons in operating units of the national office of OPA, was issued February 22 and is available to interested persons at cost, OPA announced.

Copies of the directory and of six supplements, which will be issued between now and August 1, 1944, may be obtained for $1 from the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

Included in the manual are:

(1) Names and telephone numbers of OPA persons responsible for issuance of price regulations, (2) numbers and titles of all formal price regulations effective through December 1, 1943, and the price branches that issued them, (3) an alphabetical index of commodities and services, along with OPA branch and section and the number of the applicable regulation, and (4) a separate alphabetical listing of the products and services assigned to each price branch.

Supplements to be issued will include new price regulations, amendments and revisions to existing regulations and any changes that may occur in OPA organizational structure.

## Hothouse Cucumber Ceilings

Ceiling prices for hothouse cucumbers, at all levels except retail, restoring the normal differential which these vegetables have enjoyed in the past over field-grown cucumbers, were provided February 19 by the Office of Price Administration, under terms of Amendment 20 to Maximum Price Regulation 426.

Hothouse cucumbers had been given the same maximum prices as field-grown cucumbers until sufficient data could be obtained to compute accurate prices for the hothouse varieties, OPA said. The hothouse cucumber now will be more expensive than the field-grown.

The new maximum shipping point prices for hothouse cucumbers, f.o.b. Davenport, Iowa, are 13.8 cents per pound in the period from November 1 to December 31; 19.3 cents per pound in the period from January 1 to March 31, and 13.8 cents per pound in the period from April 1 to May 31. Per pound shipping point prices for field-grown cucumbers are 7.1 cents per pound, 10.4 cents per pound and 7.1 cents per pound in the same periods. Prices have not yet been announced for either kind of cucumbers for the June 1-October 31 period.

For sales delivered to any wholesale receiving point, maximum hothouse cucumber prices are those named, plus less-than-carload express charges (including three per cent transportation tax) from Davenport, Iowa.

The maximum mark-up for wholesalers of the hothouse vegetable remains at 1.6 cents per pound, the same mark-up used for field grown cucumbers.

## Old Guard Elects Officers

Officers of the Old Guard Society, elected for 1944 at the annual reunion and dinner held in Chicago during the week of the Processors' Conference, are the following:

President—William Varney, Varney Canning, Inc., Roy, Utah; first vice-president—S. M. Ryder, Chisholm-Ryder Co., Niagara Falls, N. Y.; 2nd vice-president—Lewis Risser, Milford Canning Co., Milford, Ill.; secretary-treasurer—S. G. Gorsline, Battle Creek, Mich.

## Tennessee-Kentucky Officers

Following are the officers elected for 1944 by the Tennessee-Kentucky Canners Association: President—Shell R. Clevenger, Bush Bros. & Co., Dandridge, Tenn.; vice-president—J. Paul Craddock, Bardwell Canning Co., Bardwell, Ky.; secretary—C. Hays Hollar, Hollar Canning Co., Newbern, Tenn.

## Canned Pork Sausage Price

The price of $33.25 per hundredweight, in 34-ounce cans, has been established for sales of pork sausage to the armed forces, under the terms of Amendment 15 to Revised Maximum Price Regulation 148, made effective February 25 by the Office of Price Administration. This price is subject to additions and deductions provided in the regulation.

## Fish Oil To Be Released

The War Food Administration will release a quantity of fish oil from government reserves on March 10, and plans are being made to release additional quantities monthly through June, 1944. The only oils included in the reserves are Alaska herring, menhaden, pilchard and sardine oils, and these will be releasd only for use in alkyd resins, rubber compounding, water insoluble metallic soaps, lubricants, metal working compounds and for military use where fish oil is mandatory by specification or by the physical requirement of specification.

Under Food Distribution Order No. 59, WFA has purchased approximately one-sixth of the 1943 season production of fish oils for military and essential industrial purposes.

## Fresh Chinook Salmon Price

Establishment of a 20 cents per pound producers' ceiling on all round chinook salmon, both on ocean-trolled and on catches from bays, streams and rivers of the States of California, Oregon and Washington, except the Sacramento river catch, was announced February 22 by the Office of Price Administration.

The price is provided for in amendment No. 24 to Maximum Price Regulation No. 418—Fresh Fish and Seafood, effective February 28 and will be effective for the season January through March. In addition, OPA fixed all April prices for chinook at the previously established May levels.

## Macaroni Price Order Amended

The regulation controlling maximum prices for macaroni products and noodle products was amended by the Office of Price Administration, effective February 21, to require producers to file reports with OPA on new products and on products priced by adopting maximum prices of comparable commodities.

The new amendment (Amendment 2 to Maximum Price Regulation No. 326) requires the reporting of maximum prices on both types of products to the nearest OPA district office on or before March 1, 1944, or within ten days after the first sale of an item.

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